

## County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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July 20, 2004

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From:

To:

David E. Janssen P

Chief Administrative Officer

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Supervisor Don Knabe, Chairman

Supervisor Michael D. Antonovich

## FEDERAL NON-APPROVAL OF TARGETED CASE MANAGEMENT PROGRAMS

This is to advise you that the Federal Centers for Medicare and Medicaid Services (CMS) has notified the State Department of Health Services (SDHS), that CMS will not approve additional Adult Probation or Public Guardian Targeted Case Management (TCM) programs for Fiscal Year 2003-04. TCM programs that were approved for previous years will continue. SDHS plans to appeal CMS's decision.

The impact of the CMS decision is to deny Los Angeles, and other similarly situated counties, the opportunity to claim Medicaid reimbursement for a portion of the County's expenses related to case management services in these program areas.

The Los Angeles County Public Guardian TCM program is a previously approved program and will not be affected at this time. However, the Probation Department's TCM program will be one of the eighteen new adult probation programs Statewide that will be included in the State's appeal. If the appeal is successful, Probation will be able to claim up to \$485,409 in Federal Title XIX funding for Fiscal Year 2003-04.

We will continue to work with County departments to assist the State in its appeal of this adverse Federal decision, and will continue to keep your Board apprised. Please contact me if you have any questions, or your staff may contact Assistant Administrative Officer Lari Sheehan at (213) 893-2477, or Isheehan@cao.co.la.ca.us.

DEJ:LS:EB

C: Chief Probation Officer Director, Department of Mental Health Auditor - Controller